

ORDINANCE NO. 024-144

AN ORDINANCE AUTHORIZING THE  
EXECUTION AND DELIVERY OF ONE  
OR MORE SUPPLEMENTAL  
INDENTURES UNDER WHICH THE  
CHICAGO TRANSIT AUTHORITY MAY  
ISSUE ONE OR MORE SERIES OF  
CORPORATE PURPOSE DEBT  
OBLIGATIONS PAYABLE FROM THE  
SALES TAX RECEIPTS FUND; AND  
AUTHORIZING THE ISSUANCE OF  
SALES TAX RECEIPTS REVENUE  
REFUNDING BONDS, SERIES 2024

WHEREAS, The Chicago Transit Authority is a political subdivision, body politic and municipal corporation of the State of Illinois (the "Authority") organized and existing under the Metropolitan Transit Authority Act, 70 ILCS 3605 et seq. (the "MTA Act"); and

WHEREAS, The Authority intends to issue one or more series of bonds for the following purposes: (i) to refund all or a portion of the Authority's outstanding Sales Tax Receipts Revenue Bonds, Series 2014 (the "Series 2014 Bonds"); (ii) to fund the purchase price of all or a portion of the Authority's outstanding Sales Tax Receipts Revenue Bonds, Series 2020B (Taxable) (the "Series 2020B Bonds"); and (iii) to pay the costs of issuance related thereto; and

WHEREAS, Pursuant to Section 12 of the MTA Act, the Authority has the continuing power to borrow money for the purpose of acquiring, constructing, reconstructing, extending or improving its transportation system and to evidence its obligation to repay any money borrowed by issuing its revenue bonds payable solely from the revenues or income or other funds which the Authority may receive and to issue its revenue bonds for the purpose of refunding its bonds at maturity, or prior to maturity pursuant to the redemption provisions pertaining to said bonds; and

WHEREAS, Pursuant to Section 13 of the Local Government Debt Reform Act, 30 ILCS 350 et seq. (the "Local Government Debt Reform Act"), the Authority may pledge as security for the payment of its bond moneys deposited or to be deposited in any special fund of the Authority; and

WHEREAS, The Authority anticipates the receipt from time to time from the Regional Transportation Authority (the "RTA") of amounts representing the Authority's share (in accordance with the Regional Transportation Authority Act, 70 ILCS 3615 et seq. (the "RTA Act"), including Section 4.03.3 thereof) of (i) the tax receipts derived from taxes imposed by the RTA pursuant to the RTA Act; (ii) amounts paid to the RTA by the State of Illinois (the "State") from transfers to (a) the Regional Transportation Authority Occupation and Use Tax Replacement Fund, (b) the Public Transportation Fund, and

(c) the RTA tax fund created by Section 4.03(n) of the RTA Act from the County and Mass Transit District Fund; and (iii) funds derived by RTA from any other source designated by law as a replacement source of funds for all or a portion of the RTA tax receipts described in clause (i), or the State payments described in clause (ii) (collectively, the “Sales Tax Receipts”); and

WHEREAS, Pursuant to a Trust Indenture dated July 1, 2008 by and between the Authority and U.S. Bank National Association, as trustee (the “Senior Trustee”), securing Chicago Transit Authority Sales and Transfer Tax Receipts Revenue Bonds, as supplemented (the “2008 Indenture”), the Authority has established and maintains the Sales Tax Receipts Fund held by the Authority and established in Section 504 of the 2008 Indenture; and

WHEREAS, Pursuant to the 2008 Indenture, the Authority previously issued its (i) Sales and Transfer Tax Receipts Revenue Bonds, Taxable Series 2008A (Pension Funding) (the “Series 2008A Bonds”) in the aggregate principal amount of \$1,297,175,000.00, \$1,031,000,000.00 of which are currently outstanding; and (ii) Sales and Transfer Tax Receipts Revenue Bonds, Taxable Series 2008B (Retiree Health Care Funding) (the “Series 2008B Bonds” and together with the Series 2008A Bonds, the “Series 2008 Bonds”) in the aggregate principal amount of \$639,680,000.00, \$508,420,000.00 of which are currently outstanding;

WHEREAS, Upon satisfaction of the requirements of Section 401 of the 2008 Indenture, the Authority may issue Corporate Purpose Debt Obligations (as defined in the 2008 Indenture) and may provide that a Corporate Purpose Debt Obligation shall be payable from and secured by a pledge of or lien on the Sales Tax Receipts Fund on a parity with the lien on and pledge of the Sales Tax Receipts Fund granted by the 2008 Indenture for the payment of Pension and Retirement Debt Obligations (as defined in the 2008 Indenture) issued under the 2008 Indenture; and

WHEREAS, Pursuant to and in accordance with the provisions of the MTA Act and the Local Government Debt Reform Act, the Authority previously authorized the execution and delivery of a Trust Indenture dated as of March 1, 2010 (the “2010 Indenture”) between the Authority and the Senior Trustee to provide for the issuance from time to time of the Corporate Purpose Debt Obligations, and to permit the issuance from time to time, after obtaining all necessary Board approvals, of other parity obligations secured by a pledge of or lien on the Sales Tax Receipts Fund on a parity with the lien on and pledge of the Sales Tax Receipts Fund granted by the 2008 Indenture as provided in the 2010 Indenture; and

WHEREAS, Pursuant to the 2010 Indenture, as amended by supplemental indentures, the Authority previously issued its (i) Sales Tax Receipts Revenue Bonds, Series 2010A (the “Series 2010A Bonds”) in the aggregate principal amount of \$44,645,000.00, none of which are currently outstanding; (ii) Sales Tax Receipts Revenue Bonds, Series 2010B (Build America Bonds) in the aggregate principal amount

of \$505,355,000.00, of which \$455,625,000.00 are currently outstanding; (iii) Sales Tax Receipts Revenue Bonds, Series 2011 in the aggregate principal amount of \$476,905,000.00, none of which are currently outstanding; (iv) Sales Tax Receipts Revenue Bonds, Series 2014 (the "Series 2014 Bonds") in the aggregate principal amount of \$555,000,000.00, all of which are currently outstanding; and (v) the Series 2020B Bonds in the aggregate principal amount of \$534,005,000.00, \$490,040,000.00 of which are currently outstanding (the Series 2008 Bonds, the Series 2010B Bonds, the Series 2014 Bonds and the Series 2020B Bonds are collectively referred to herein as the "Outstanding First Lien Bonds"); and

WHEREAS, The 2010 Indenture: (i) permits the Authority to issue Additional Bonds (as defined in the 2010 Indenture) from time to time after obtaining all necessary approvals of the Board, (ii) provides for the ability of the Authority to enter into agreements to provide credit support and/or liquidity support for such Additional Bonds, and (iii) provides for the ability of the Authority to enter into swap agreements and similar hedge agreements pursuant to Section 7 of the Bond Authorization Act, 30 ILCS 305 et seq., the payments of the principal of, premium, if any, and interest on such Additional Bonds and certain payments under such support agreements and hedge agreements to be payable from and secured by the Sales Tax Receipts on a parity with the Outstanding First Lien Bonds (the Outstanding First Lien Bonds, the Series 2024 Bonds (as defined below), any such Additional Bonds (including additional refunding bonds) and any such agreements, collectively the "Parity Obligations"); and

WHEREAS, Pursuant to and in accordance with the provisions of the MTA Act, the Local Government Debt Reform Act, the 2008 Indenture, and the 2010 Indenture, the Authority now desires to authorize the execution and delivery of one or more supplemental indentures (collectively, the "Fifth Supplemental Indenture" and together with the 2010 Indenture as previously supplemented, the "Senior Indenture") between the Authority and the Senior Trustee, to provide for the issuance of one or more series of its "Chicago Transit Authority Sales Tax Receipts Revenue Refunding Bonds, Series 2024A" (the "Series 2024 Bonds," and together with the Parity Obligations, the "First Lien Bonds"), as refunding bonds under the 2010 Indenture, which Series 2024 Bonds may be issued at one time or from time to time and in one or more series, and shall be secured by the Sales Tax Receipts and income from the temporary investment thereof, as provided in the Senior Indenture, and shall be used primarily to refund all or a portion of the 2014 Bonds and to fund the purchase price for all or a portion of the Series 2020B Bonds; and

WHEREAS, The Series 2024 Bonds will be limited obligations of the Authority payable from the Sales Tax Receipts and moneys, securities and funds pledged to the payment of the Series 2024 Bonds under the Senior Indenture, and the Series 2024 Bonds shall not be or become an indebtedness or obligation of the State or any political subdivision of the State (other than the Authority) or of any municipality within the State, nor shall any Series 2024 Bond be or become an indebtedness of the Authority within the purview of any constitutional limitation or provision; and

WHEREAS, The Series 2024 Bonds may be issued as bonds on which the interest paid and received is excludable from the gross income of the owners thereof for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”), or as bonds on which the interest paid and received is not excludable from the gross income of the owners thereof for federal income tax purposes under the Code (“Taxable Bonds”); and

WHEREAS, The Series 2024 Bonds may be issued in one or more series, provided the aggregate principal amount of Series 2024 Bonds shall not exceed \$1,000,000,000.00; and

WHEREAS, The Series 2024 Bonds may be issued as bonds bearing interest at variable rates or fixed rates as set forth in the Senior Indenture, and the Authorized Officers (as defined in Section 1 hereof) may, from time to time, change interest modes on Series 2024 Bonds bearing interest at variable rates (“Variable Rate Bonds”); and

WHEREAS, In anticipation of the issuance of the Series 2024 Bonds, the Board desires to authorize and direct any of the Authorized Officers to act on behalf of the Board and the Authority to take certain actions necessary to permit the Authority to offer the proposed Series 2024 Bonds for sale pursuant to a Preliminary Official Statement, as defined herein, and take all other necessary actions relating to the offer, sale and delivery of the Series 2024 Bonds; and

WHEREAS, The Authority desires to authorize the procurement of one or more Bond Insurance Policies (as defined in the 2010 Indenture) with respect to all or a portion of the Series 2024 Bonds, if determined to be desirable in connection with the sale of such bonds; and

WHEREAS, In anticipation of the issuance of the Series 2024 Bonds and the corresponding tender offer for the Series 2020B Bonds, the Board desires to authorize and direct any of the Authorized Officers to act on behalf of the Board and the Authority to take certain actions necessary to permit the Authority to offer to beneficial owners of certain of the Series 2020B Bonds the opportunity to tender outstanding Series 2020B Bonds for purchase by the Authority, and take all other necessary actions relating to the tender offer and purchase of such tendered Series 2020B Bonds; and

WHEREAS, The Authority desires to authorize the procurement of one or more Credit Facilities (as defined in Section 16 hereof), if determined to be desirable in connection with the sale of such bonds; and

WHEREAS, The Authority has satisfied or will satisfy all conditions stated in the MTA Act, the Local Government Debt Reform Act and the Senior Indenture as prerequisites to the issuance of the Series 2024 Bonds; and

WHEREAS, The Authority has caused to be prepared and presented to this meeting certain documents relating to the offer, sale, issuance and delivery of the Series 2024 Bonds; and

WHEREAS, It appears that each of the documents or instruments referred to herein, is in appropriate form and is an appropriate document or instrument to be executed and delivered for the purposes intended and as provided in this Ordinance; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD  
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. Definitions. In this Ordinance, each of the terms defined in the above recitals shall have the meanings ascribed to such terms and the following terms shall have the meanings ascribed to such terms, unless the context otherwise requires:

(a) “Authorized Officers” means the Chairman of the Board, the President, the Treasurer of the Authority, or any other officer or employee of the Authority or member of the Board authorized to perform specific acts or duties hereunder by ordinance duly adopted by the Authority.

(b) “Board” means the Chicago Transit Board.

(c) “Sales Tax Receipts Fund” means the Sales Tax Receipts Fund held by the Authority and established in Section 504 of the 2008 Indenture.

(d) Terms not defined herein shall have the meaning given thereto in the Senior Indenture or the Second Lien Indenture, as applicable.

SECTION 2. Findings and Determinations. The Board hereby makes the following findings and determinations:

(a) All of the recitals contained in the preamble to this Ordinance are incorporated in full as part of this Ordinance.

(b) Acacia Financial Group, Inc. and Mohanty Garguilo LLC, acting as co-financial advisors to the Authority, have prepared and presented to the Authority a plan of finance for the Series 2024 Bonds, and such plan of finance is hereby approved.

(c) In accordance with the plan of finance, the proceeds of the sale of the Series 2024 Bonds will be used to refund all or a portion of the Series 2014 Bonds and fund the purchase of all or a portion of the Series 2020B Bonds, and to fund certain costs of issuance of the Series 2024 Bonds (including any applicable bond insurance premiums, costs associated with obtaining Credit Facilities, costs associated with the effectuation of the tender offer for the Series 2020B Bonds and related costs).

(d) The Authority's ability to change interest modes on Variable Rate Bonds from time to time in various principal amounts will enhance the Authority's opportunities to obtain financing with the most favorable terms available.

(e) The fee allocation arrangement and level of fees to be paid to the co-financial advisors, bond insurer, rating agencies, trustees, co-bond counsel, disclosure counsel, tender-related fees and for all other costs of issuance shall be as determined by the Treasurer of the Authority, provided such fees (exclusive of fees for bond insurance and for debt service reserve surety policy) do not exceed in aggregate 2% of the principal amount of the Series 2024 Bonds and all such fees (exclusive of fees for bond insurance and for debt service reserve surety policy) shall be paid as part of the costs of issuance of the Series 2024 Bonds. The Authority is authorized to utilize funds of the Authority (other than the proceeds of the Series 2024 Bonds) to pay costs associated with the issuance of a Bond Insurance Policy or debt service reserve policy, as described respectively in Sections 13 and 14 herein.

(f) Pursuant to Section 13 of the Local Government Debt Reform Act, amounts on deposit in the Sales Tax Receipts Fund held by the Authority and established in the 2008 Indenture (subject however to the PBC Parity Pledge Rights, as defined in the 2010 Indenture, and any parity pledge or lien created with respect to the Pension and Retirement Debt Obligations, as defined in the 2010 Indenture), to the extent and in the manner provided herein and in the Senior Indenture, shall be and are pledged as security for the payment of the Series 2024 Bonds and any additional Parity Obligations that may be issued or entered into in the future under the terms of the Senior Indenture. Sales Tax Receipts remaining after satisfaction of all monthly amounts then due on Parity Obligations, Corporate Purpose Debt Obligations and pursuant to the PBC Lease, to the extent and in the manner provided herein and in the Second Lien Indenture shall be and are hereby pledged as security for the payment of the Series 2020 Bonds.

(g) The Authority has determined that the Series 2024 Bonds should be offered to investors by the means of negotiated sales to Jefferies LLC (together with the co-managers set forth on Exhibit A, the "Underwriters") and, pursuant to a Bond Purchase Agreement between the Authority and the Underwriters (the "Bond Purchase Agreement"), the Underwriters will agree to offer the Series 2024 Bonds sold pursuant to such Bond Purchase Agreement for sale pursuant to a bona fide public offering. Pursuant to Section 10 of the Local Government Debt Reform Act, the Board determines that the Series 2024 Bonds shall be sold by means of a negotiated sale to the Underwriters pursuant to the terms and provisions of the Bond Purchase Agreement and that the manner of sale will accommodate current market practices and will provide an opportunity to sell the Series 2024 Bonds under the most favorable terms.

(h) Authority is hereby delegated to the Treasurer of the Authority (and if such Treasurer is not available, any other Authorized Officer): (i) to execute and deliver the Bond Purchase Agreement to sell the Series 2024 Bonds to the Underwriters pursuant to

the terms and conditions of such Bond Purchase Agreement, provided that the underwriting spread of the Underwriters shall not exceed 1% of the aggregate principal amount of the Series 2024 Bonds being sold at such time; (ii) to execute and deliver the Dealer Manager Agreement to effectuate the offer to tender and purchase of the Series 2020B Bonds pursuant to the terms and conditions of such Dealer Manager Agreement; (iii) to determine to change interest modes on all or part of any series of Variable Rate Bonds from time to time in accordance with the Senior Indenture, as and to the extent such officer determines is desirable and in the best financial interest of the Authority; (iv) to determine the timing and amount of the principal amortization of Variable Rate Bonds, as and to the extent such officer determines from time to time that such principal amortization is desirable and in the best financial interest of the Authority; and (iv) to determine to transfer, modify and/or terminate swap agreements and to pay such amounts in respect of such transfer, modification and/or termination, all as and to the extent that such officer determines it is desirable and in the best financial interest of the Authority.

(i) The Authority has been advised by its co-financial advisors that the effectuation of the offer to tender and the purchase of the Series 2020B Bonds will be improved by the retention of Globic Advisors, Inc. in connection therewith. The retention of Globic Advisors, Inc. is hereby approved, and the payment of the corresponding fees to Globic Advisors, Inc. is hereby approved as a cost of issuance of the Series 2024 Bonds.

(j) The authority delegated to the Authorized Officers pursuant to this Ordinance with respect to the sale of the Series 2024 Bonds shall terminate on December 31, 2025.

SECTION 3. Authorization of the Series 2024 Bonds for the Purposes Authorized by this Ordinance. Pursuant to Section 12 of the MTA Act and the Local Government Debt Reform Act, the Board hereby authorizes the issuance of the Series 2024 Bonds at one time or from time to time and in one or more series, in an aggregate principal amount of Series 2024 Bonds that shall not exceed \$1,000,000,000.00. The proceeds of the Series 2024 Bonds shall be used primarily for the purpose of refunding all or a portion of the Series 2014 Bonds and funding the tender of all or a portion of the Series 2020B Bonds.

SECTION 4. Certain Terms of the Series 2024 Bonds; Execution and Delivery of the Series 2024 Bonds.

(a) Any two Authorized Officers are authorized to execute the Series 2024 Bonds on behalf of the Authority, and the Secretary to the Board shall attest thereto, in each case by manual or facsimile signatures, and the seal (or a facsimile thereof) of the Authority shall be impressed, imprinted, engraved or otherwise reproduced thereon, and the Series 2024 Bonds shall be delivered to the Senior Trustee under the Senior Indenture for authentication and delivery to the Underwriters pursuant to the Bond Purchase Agreement.

(b) The Series 2024 Bonds shall be in the form and denominations set forth in the Senior Indenture, shall be dated no earlier than December 1, 2024, shall be numbered as provided in the Senior Indenture, shall mature on the designated maturity dates, shall be issued in the principal amounts and in the designated series, shall bear interest payable at the times and at the rates per annum and shall be subject to redemption prior to maturity upon the terms and conditions to be specified in the Bond Purchase Agreement, the Senior Indenture and the Official Statement (as defined in Section 12 hereof), subject to the limitations set forth in subsection (f) hereof.

(c) The Series 2024 Bonds shall be designated "Sales Tax Receipts Revenue Refunding Bonds, Series 2024A" and include such further appropriate designation as to series as is set forth in the Fifth Supplemental Indenture. The Series 2024 Bonds may be issued bearing interest at a fixed interest rate or rates or at variable interest rates (including but not limited to variable interest rates that are reset daily or weekly by a remarketing agent and variable interest rates commonly referred to as "flexible", "adjustable," "floating rate" and "commercial paper" (including under circumstances in which specified bonds of a series bear interest at rates that differ from the rates borne by other bonds of the series and have different accrual, mandatory tender and purchase provisions and default and remedy provisions) (herein collectively referred to as "Variable Rates"), as more fully set forth in the Senior Indenture, but in no event shall such rate or rates (i) with respect to Series 2024 Bonds bearing interest at a fixed interest rate, exceed 9% per annum, and (ii) with respect to Variable Rate Bonds, exceed the greater of (A) 9% per annum and (B) the maximum interest rate permissible under Illinois law; provided, however, that so long as such Variable Rate Bonds are secured by a letter of credit, the maximum interest rate with respect to such Variable Rate Bonds shall be calculated pursuant to such letter of credit. Interest on the Series 2024 Bonds shall be payable on each interest payment date as provided in the Senior Indenture (as executed and delivered by the Authority). The Series 2024 Bonds may be issued under structures commonly referred to as "medium term notes" or "put option bonds", including with provisions for the mandatory tender and purchase of such Variable Rate Bonds prior to otherwise applicable maturity or mandatory redemption dates, the extension of any stated mandatory purchase requirements and an increase in the interest rate payable on such Variable Rate Bonds following any such extension; and may be secured as to principal, purchase price, redemption price and interest by one or more letters of credit. Any Series 2024 Bonds that initially bear interest at a Variable Rate may thereafter bear such other interest rate or rates as may be established in accordance with the provisions of the Senior Indenture, as the Authorized Officer shall direct. Any Series 2024 Bonds that bear interest at a fixed rate may be issued as Current Interest Bonds (as defined in the 2010 Indenture), as Capital Appreciation Bonds (as defined in subsection (d) below) or as Capital Appreciation Bonds that convert to Current Interest Bonds at a future date after their issuance.

(d) All or any portion of the Series 2024 Bonds may be issued as bonds payable in one payment on a fixed date ("Capital Appreciation Bonds"). Each series of Capital



Appreciation Bonds shall be dated the date of issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be numbered as determined by the applicable bond registrar and shall be in denominations equal to the original principal amounts of such Capital Appreciation Bonds or any integral multiple thereof, each such original principal amount representing Compound Accreted Value (as hereinafter defined) at maturity of such minimum amounts and integral multiples thereof as shall be agreed upon by an Authorized Officer and the purchasers of such Capital Appreciation Bonds (but no single Bond shall represent Compound Accreted Value maturing on more than one date). As used herein, the "Compound Accreted Value" of a Capital Appreciation Bond on any date of determination shall be an amount equal to the original principal amount (or integral multiple thereof) plus an investment return accrued to the date of such determination at a semiannual compounding rate which is necessary to produce the yield to maturity borne by such Capital Appreciation Bond. Any Capital Appreciation Bonds may contain provisions for the conversion of the Compound Accreted Value of such bonds into current interest rate bonds at such time following the initial issuance as shall be approved by an Authorized Officer.

(e) All or any portion of the Series 2024 Bonds may be issued as (i) bonds on which the interest paid and received is excludable from the gross income of the owners thereof for federal income tax purposes under the Code (except to the extent that such interest is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations); or (ii) Taxable Bonds. Nothing contained in this Ordinance shall limit the ability of the Authority to issue all or a portion of the Series 2024 Bonds as Taxable Bonds if determined by an Authorized Officer to be in the best interest of the Authority.

(f) The Series 2024 Bonds shall mature on such dates as provided in the Senior Indenture, but in no event later than December 1, 2064. The Series 2024 Bonds shall be subject to redemption as provided in the Senior Indenture. The Series 2024 Bonds may be redeemable prior to maturity at the option of the Authority, in whole or in part, on any date, at such times and at such redemption prices not to exceed 103% of the principal amount of Series 2024 Bonds to be redeemed, as shall be determined by an Authorized Officer at the time of the sale thereof; provided, however, that any Series 2024 Bonds may be subject to redemption, as determined by an Authorized Officer, at a price equal to a make-whole redemption price. The Series 2024 Bonds may be made subject to sinking fund redemption, at par plus accrued interest to the date fixed for redemption, as determined by an Authorized Officer at the time of the sale thereof. The Senior Indenture may provide that the Series 2024 Bonds are Consolidated Reserve Fund Bonds or may provide for the establishment of a Debt Service Reserve Account or such designation if an Authorized Officer determines that the establishment of such a reserve would be advantageous to the Authority in obtaining either a Bond Insurance Policy for the Series 2024 Bonds or in achieving a higher rating on the Series 2024 Bonds.

(g) The Series 2024 Bonds are limited obligations of the Authority payable from the Sales Tax Receipts and the moneys, securities and funds pledged to the payment of the Series 2024 Bonds under the Senior Indenture. The Series 2024 Bonds are not and shall not be or constitute an indebtedness of the RTA, the State, or of any other political subdivision of or municipality within the State (other than the Authority). The Series 2024 Bonds shall not be secured by any lien upon any physical property of the Authority. An Authorized Officer may from time to time determine to make payments on the Series 2024 Bonds from other available funds, without a pledge of such funds under the Senior Indenture.

SECTION 5. Pledge of Sales Tax Receipts Fund to Secure Parity Obligations. The Board hereby confirms the pledge by the Authority, as part of the trust estate established by the Senior Indenture, of (i) all amounts on deposit in the Sales Tax Receipts Fund held by the Authority and established in the 2008 Indenture (subject however to the PBC Parity Pledge Rights, as defined in the 2010 Indenture, and the parity pledge and lien created with respect to Pension and Retirement Debt Obligations, as defined in the 2010 Indenture); (ii) all moneys, securities and earnings thereon in all Funds, Sub-Funds, Accounts and Sub-Accounts established under the Fifth Supplemental Indenture, subject however to the right of the Authority to make periodic withdrawals from the Sales Tax Receipts Fund and the Debt Service Fund as permitted by the Senior Indenture; and (iii) any and all other moneys and securities furnished from time to time to the Senior Trustee by the Authority or on behalf of the Authority or by any other persons to be held by the Senior Trustee under the terms of the Fifth Supplemental Indenture; all as security for the payment of the principal of, redemption premium, if any, and interest on, the Series 2024 Bonds and any additional Parity Obligations as the Authority may issue or enter into in the future.

SECTION 6. Approval of the Indenture. To provide for the details of and to prescribe the terms and conditions upon which the Series 2024 Bonds are to be issued, secured, executed, authenticated and held, the Authorized Officers are each hereby authorized to execute, attest and deliver the Fifth Supplemental Indenture and such other additional supplemental indentures as the Authorized Officers deem necessary or appropriate, in the name and on behalf of the Authority, in each case in substantially the form attached hereto as Exhibit B, and such appropriate form is hereby approved, with such other or further changes in the Fifth Supplemental Indenture and any other supplemental indentures as may be approved by any Authorized Officer executing the same. The execution of the Fifth Supplemental Indenture and any other supplemental indentures by any Authorized Officer shall constitute conclusive evidence of the approval by such Authorized Officer and the Authority of any and all such changes from the form of the Fifth Supplemental Indenture, as applicable, presented to this meeting and approved hereby.

SECTION 7. Approval of Use and Distribution of the Preliminary Official Statement. The Authorized Officers are each hereby authorized to use and distribute one or more

Preliminary Official Statements for the Series 2024 Bonds in the form of the Preliminary Official Statement attached hereto as Exhibit C (as such form may be modified to account for the issuance of the Series 2024 Bonds), presented to the Board and hereby approved, which Preliminary Official Statement shall also include such information as shall be deemed necessary or appropriate by any Authorized Officer to approve such Preliminary Official Statement, including information conforming to the form of the Senior Indenture, and such other information as such officer deems necessary or appropriate under the circumstances. Upon the determination of any Authorized Officer that the Preliminary Official Statement is deemed final, the Underwriters are hereby authorized to publish and distribute such Preliminary Official Statement for use, together with the Senior Indenture, including the form of the Fifth Supplemental Indenture or other applicable supplemental indentures, in connection with a public offering of the Series 2024 Bonds in an aggregate original principal amount within the parameters described in Sections 3 and 4 hereof.

SECTION 8. Approval of the Bond Purchase Agreement. The Authorized Officers are each hereby authorized to execute and deliver one or more Bond Purchase Agreements in the name and on behalf of the Authority in substantially the form of the Bond Purchase Agreement attached to this Ordinance as Exhibit D (as such form may be modified to account for the issuance of Series 2024 Bonds) and hereby approved, with such changes as may be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of the approval of such Authorized Officer and the Authority of any and all changes from the form of Bond Purchase Agreement presented to this meeting and approved hereby.

SECTION 9. Approval of the Dealer Manager Agreement. The Authorized Officers are each hereby authorized to execute and deliver one or more Dealer Manager Agreements in the name and on behalf of the Authority in substantially the form of the Dealer Manager Agreement attached to this Ordinance as Exhibit F (as such form may be modified to account for the issuance of Series 2024 Bonds) and hereby approved, with such changes as may be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of the approval of such Authorized Officer and the Authority of any and all changes from the form of Dealer Manager Agreement presented to this meeting and approved hereby.

SECTION 10. Approval of Use and Distribution of the Invitation to Tender Bonds. The Authorized Officers are each hereby authorized to use and distribute one or more Invitation to Tender Bonds in substantially the form of the Invitation to Tender Bonds attached hereto as Exhibit E (as such form may be modified to account for the issuance of the Series 2024 Bonds), presented to the Board and hereby approved, which Invitation to Tender Bonds shall also include such information as shall be deemed necessary or appropriate by any Authorized Officer to approve such Invitation to Tender Bonds, including information conforming to the form of Senior Indenture, and such other information as such officer deems necessary or appropriate under the circumstances. Upon the determination of any Authorized Officer that the Invitation to Tender Bonds is

deemed final, the Underwriters are hereby authorized to publish and distribute such Invitation to Tender Bonds.

SECTION 11. Approval of the Continuing Disclosure Undertaking. The Authorized Officers are each hereby authorized to execute and deliver one or more Continuing Disclosure Undertakings (each, a “Continuing Disclosure Undertaking”) in the name and on behalf of the Authority in substantially the form of the Continuing Disclosure Undertaking attached to the Preliminary Official Statement as an appendix and hereby approved, with such changes as may be approved by any Authorized Officer executing the same, with such execution to constitute conclusive evidence of the approval of such Authorized Officer and the Authority of any and all changes from the form of Continuing Disclosure Undertaking presented to this meeting and approved hereby.

SECTION 12. Official Statement. The Authorized Officers are each hereby authorized to prepare, execute and distribute one or more final Official Statements (each, the “Official Statement”), which shall reflect the final terms and conditions of the Series 2024 Bonds as established in the related Bond Purchase Agreement, the Senior Indenture, and other documents and instruments approved and authorized hereby. Each such Official Statement shall be in the form of the Preliminary Official Statement deemed final pursuant to Section 7 hereof with such changes therein as shall be necessary to conform to this Ordinance and such other changes therein as shall be approved by any Authorized Officer executing the same, with such execution to constitute conclusive evidence of the approval of such Authorized Officer and the Authority of any and all changes from the form of the Preliminary Official Statement presented to this meeting and approved hereby.

SECTION 13. Authorization of the Purchase of Municipal Bond Insurance Policies. In connection with any sale of any series of the Series 2024 Bonds, any of the Authorized Officers is authorized to obtain one or more Bond Insurance Policies (as defined in the 2010 Indenture) from recognized Bond Insurers (as defined in the 2010 Indenture) selected by such Authorized Officer. The Authorized Officer may, on behalf of the Authority, make covenants with such Bond Insurer as are necessary or desirable to obtain such policies, execute and deliver such documents and agreements and pay such related costs with Series 2024 Bond proceeds or with the funds of the Authority, as are necessary to carry out the purposes of this Ordinance. Any of the Authorized Officers is further authorized to request one or more of the financial advisors to solicit proposals from recognized Bond Insurers for one or more Bond Insurance Policies. The Board hereby determines that competitive bidding for such bond insurance is not required under Section 1.4B of the Chicago Transit Authority Procurement Policy and Procedures inasmuch as the services required are for professional services, or require technical or artistic skill, and federal funds are not utilized and, as a result, any of the Authorized Officers is authorized to determine whether, under then current market conditions, it is most advantageous to the Authority to select one or more policies of insurance pursuant to a competitive process or a negotiated process. If such Authorized Officer so determines that a negotiated

process is most advantageous, any of the Authorized Officers is further authorized to select one or more of such Bond Insurance Policies based upon a determination of what is in the best interest of the Authority and, regardless of the manner of selection, to negotiate and execute all required agreements and certificates with such selected Bond Insurer(s), such agreements and certificates to be in a form acceptable to the General Counsel of the Authority.

SECTION 14. Authorization of the Purchase of Debt Service Reserve Policies relating to the Series 2024 Bonds. Any one of the Authorized Officers is authorized to obtain one or more surety bonds or debt service reserve policies issued by a nationally recognized insurance provider (the "Surety Provider") to satisfy any reserve requirement under the Senior Indenture or the Second Lien Indenture, as applicable. The Authorized Officer may, on behalf of the Authority, make covenants with such Surety Provider as are necessary or desirable to obtain such policies, execute and deliver such documents and agreements and pay such related costs with Series 2024 Bond proceeds or with funds of the Authority, as are necessary to carry out the purposes of this Ordinance. The Board hereby determines that competitive bidding for such policies is not required under Section 1.4B of the Chicago Transit Authority Procurement Policy and Procedures inasmuch as the services required are for professional services, or require technical or artistic skill, and federal funds are not utilized and, as a result, any of the Authorized Officers is authorized to determine whether under then current market conditions it is most advantageous to the Authority to select one or more policies pursuant to a competitive process or a negotiated process. If such Authorized Officer so determines that a negotiated process is most advantageous, any of the Authorized Officers is further authorized to select one or more of such policies based upon a determination of what is in the best interest of the Authority and, regardless of the manner of selection, to negotiate and execute all required agreements and certificates with such selected insurer(s), such agreements and certificates to be in a form acceptable to the General Counsel of the Authority.

SECTION 15. Authorization of Hedge Agreements. The Authorized Officers are each hereby authorized to execute and deliver from time to time one or more agreements or documents with respect to any series of the Series 2024 Bonds that will have the benefit of providing the Authority: a guaranteed interest rate, interest rate basis, cash flow basis or purchase price (including, without limitation, agreements or contracts commonly known as interest rate swap, collar cap, or derivative agreements, forward payment conversion agreements, interest rate locks, forward bond purchase agreements, bond warrant agreements or bond purchase option agreements and including agreements or contracts providing for payments based on levels of or changes in interest rates, including a change in an interest rate index, to exchange cash flows or a series of payments, or to hedge payment, rate spread, or similar exposure) as provided in Section 7 of the Bond Authorization Act. Any of the Authorized Officers is authorized to request one or more of the financial advisors to solicit proposals from qualified financial institutions to act as counterparties under one or more of such contracts or agreements. The Board hereby determines that competitive bidding for such contracts or agreements is not required

under Section 1.4B of the Chicago Transit Authority Procurement Policy and Procedures inasmuch as the services required are for professional services, or require technical or artistic skill, and federal funds are not utilized and, as a result, any of the Authorized Officers is authorized to determine whether under then current market conditions it is most advantageous to the Authority to select one or more of such contracts, agreements or counterparties pursuant to a competitive process or a negotiated process. If such Authorized Officer so determines that a negotiated process is most advantageous, any of the Authorized Officers is further authorized to select one or more of such contracts, agreements and counterparties based upon a determination of what is in the best interest of the Authority and to negotiate and execute all required agreements and certificates with such selected financial institution(s). The stated aggregate notional amount under all such agreements authorized hereunder shall not exceed the principal amount of the series of Series 2024 Bonds subject to such hedging agreements (net of offsetting transactions entered into by the Authority). Any such agreement to the extent practicable shall be in substantially the form of either the Local Currency – Single Jurisdiction version or the Multicurrency – Cross Border version of the 2002 ISDA Master Agreement accompanied by the U.S. Municipal Counterparty Schedule published by the International Swaps and Derivatives Association, Inc. (the “ISDA”) or any successor form to either published by the ISDA, with the appropriate confirmations of transactions governed by that agreement, and with such insertions, completions and modifications thereof as shall be approved by an Authorized Officer executing the same, the Authorized Officer’s execution to constitute conclusive evidence of the Board’s approval of such insertions, completions and modifications thereof. Should the ISDA form not be the appropriate form to accomplish the objectives of the Authority under this Section, then such other agreement as may be appropriate and in a form acceptable to the General Counsel to the Authority is hereby approved, the execution by any Authorized Officer being conclusive evidence of the Board’s approval of such form. Payments made by the Authority and payments received by the Authority under such agreements may be paid from and deposited into such funds and accounts as provided in the Senior Indenture, and, to the extent provided in the Senior Indenture, such agreements may constitute Parity Obligations under the Senior Indenture.

**SECTION 16. Authorization of Credit Facility Agreements.** The Authorized Officers are each hereby authorized to obtain from time to time one or more letters of credit, lines of credit, guarantees, standby bond purchase agreements or other credit or liquidity enhancement facilities (a “Credit Facility”) with one or more financial institutions with respect to any series of the Series 2024 Bonds. Authorized Officers are hereby authorized to enter into a reimbursement agreement and/or standby bond purchase agreement and to execute and issue a promissory note in connection with the provisions of each Credit Facility. The annual fee paid to any financial institution that provides a Credit Facility with respect to all or a portion of a series of the Series 2024 Bonds shall not exceed 3% of the average principal amount of such Series 2024 Bonds outstanding during such annual period. Any of the Authorized Officers is further authorized to request one or more of the financial advisors to solicit proposals from qualified financial institutions to act as

counterparties under one or more of such contracts or agreements. The Board hereby determines that competitive bidding for such contracts or agreements is not required under Section 1.4B of the Chicago Transit Authority Procurement Policy and Procedures inasmuch as the services required are for professional services, or require technical or artistic skill, and federal funds are not utilized and, as a result, any of the Authorized Officers is authorized to determine whether, under then current market conditions, it is most advantageous to the Authority to select one or more of such contracts, agreements or counterparties pursuant to a competitive process or a negotiated process. If such Authorized Officer so determines that a negotiated process is most advantageous, any of the Authorized Officers is further authorized to select one or more of such contracts, agreements and counterparties based upon a determination of what is in the best interest of the Authority and to negotiate and execute all required agreements and certificates with such selected financial institution(s). Payments made by the Authority and payments received by the Authority under such agreements may be paid from and deposited into such funds and accounts as provided in the Senior Indenture or the Second Lien Indenture, as applicable and, to the extent provided in the Senior Indenture, such agreements may constitute Parity Obligations under the Indenture.

SECTION 17. Prior Actions Ratified and Confirmed. The prior actions of the Authorized Officers and all other authorized officers and agents of the Authority in doing any and all acts necessary in connection with the tender offer for, and purchase of, the Series 2020B Bonds and the offer, issuance and sale of the Series 2024 Bonds are hereby approved, ratified and confirmed.

SECTION 18. Ratification and Continued Effectiveness of Actions of Any Authorized Officer Who, For Any Reason, Ceases to be an Authorized Officer. In the event that any Authorized Officer executes or delivers any document or other instrument approved hereunder and later ceases to be such an Authorized Officer before the delivery or performance of the document or instrument so executed, whether by reason of resignation, death or otherwise, any such document or instrument so executed or delivered and any such other action taken in connection therewith shall be and continue to be authorized by this Ordinance and valid, binding and enforceable against the Authority and the Board.

SECTION 19. Authorization and Ratification of Subsequent Acts. The Authorized Officers are each hereby authorized to do all such acts and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of this Ordinance, and the documents attached hereto as Exhibit B through Exhibit F, inclusive, and all of the acts of the Authorized Officers of the Authority which are in conformity with the intent and purposes of this Ordinance, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved. Without limiting the generality of the foregoing, the Authorized Officers of the Authority are hereby each also authorized to execute, acknowledge and deliver such certificates, agreements, instruments and documents which, in the opinion of the Authority's co-bond counsel, Mayer Brown LLP

and Hardwick Law Firm, LLC, are necessary to effectuate the provisions of this Ordinance, including the issuance of the Series 2024 Bonds.

SECTION 20. Conflicting Ordinances Amended. All ordinances in conflict herewith are, to the extent of such conflict, hereby amended to conform to this Ordinance.

SECTION 21. Severability. If any section, paragraph or provision of this Ordinance shall be held invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any remaining provisions.

SECTION 22. Effective Date. This Ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

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Chairman

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Secretary

November 13, 2024

November 13, 2024



**EXHIBIT A**

**UNDERWRITERS**

***Senior Manager***

Jefferies LLC

***Co-Senior Managers***

RBC Capital Markets, LLC

Siebert Williams Shank & Co., LLC

Stifel, Nicolaus & Company, Incorporated

***Co-Managers***

Academy Securities

Bankcroft Capital

Barclays

Estrada Hinojosa

Goldman Sachs & Co. LLC

Janney Montgomery Scott LLC

Loop Capital Markets

Ramirez & Co., Inc.

**EXHIBIT B**

**FIFTH SUPPLEMENTAL INDENTURE**

**EXHIBIT C**

**PRELIMINARY OFFICIAL STATEMENT**

**EXHIBIT D**

**BOND PURCHASE AGREEMENT**

**EXHIBIT E**

**INVITATION TO TENDER BONDS**

**EXHIBIT F**

**DEALER MANAGER AGREEMENT**